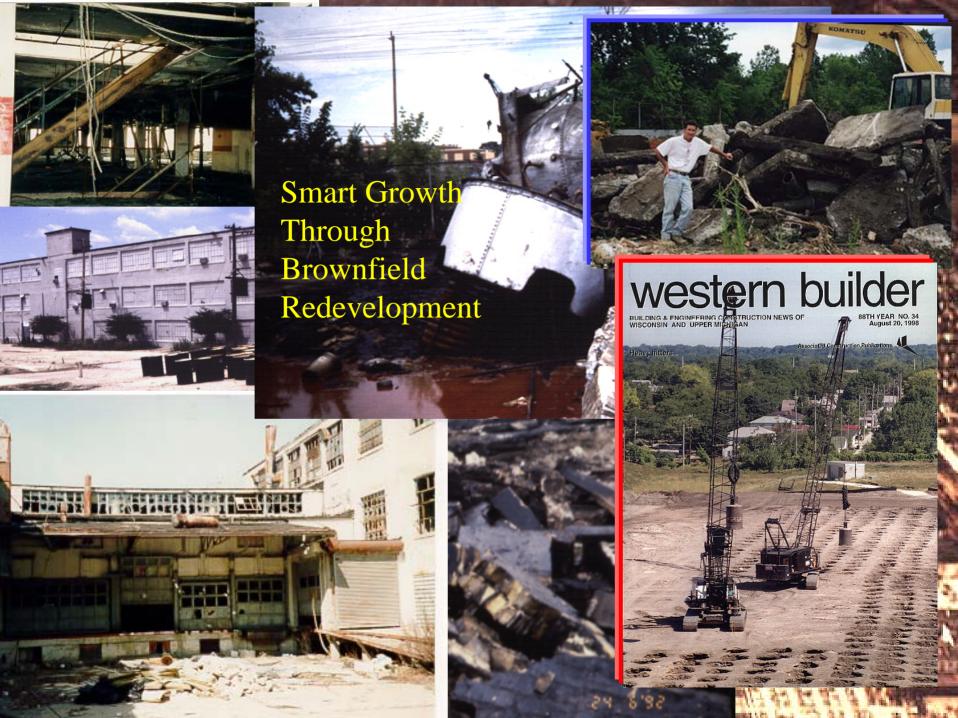


Dollars and Sense
Show Me the Brownfields Money
September 20, 2006







The West Allis blueprint for redevelopment

DO YOU KNOW OF

ANYONE WHO COULD MANAGE THIS GRAND

REDEVELOPMENT

PROJECT FOR

WEST ALLIS?

erhaps it's appropriate that Dick Carlson continues providing vision for redeveloping the industrial core of the city of West Allis. Carlson is a link to the city's industrial past as a former top executive at Allis-Chalmers Corp. and Siemens Power.

The last tractor rolled out of Allis-Chalmers in 1985 and Siemens Power - an Allis-Chalmers remnant that made turbine parts and serviced power generation equipment - saw its own shutdown in 1999. With the city of West Allis facing a gaping hole

The efforts example of

... an excellent example of strategies for regenerating metropolitan

Ca Milwaukee's vacant industrial

comm.

70th 8 landscape.

While I landscape.

White I landscape.

But have have have a decade ago. The success of the suc

officials give it plausibility. The city's community development director, John Stibal,

opment.

The redevelopment of two high-profile

. Jower Au-and side and the Pabst Brewing Co. property downtown. Milwaukee city officials are also weighing TIF districts to defray

SHE'S TANNED, RESTED, AND READY TO RENOVATE.

To be sure, each vacant industrial complex faces its own challenges ranging from hazardous waste cleanups to deteriorating neighborhoods. Not every shuttered factory can become an industrial chic office space.

Nevertheless, Carlson and West Allis officials are onto something good.

Metro Competition

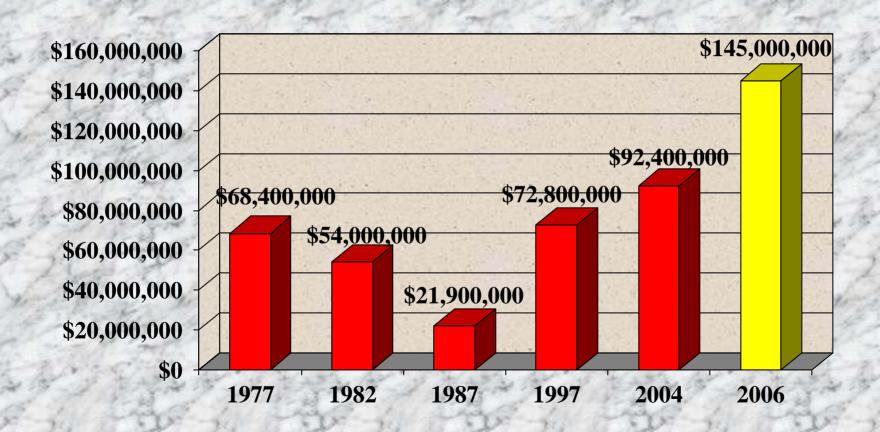
Western Suburbs

Milwaukee Downtown





Fair Market Value

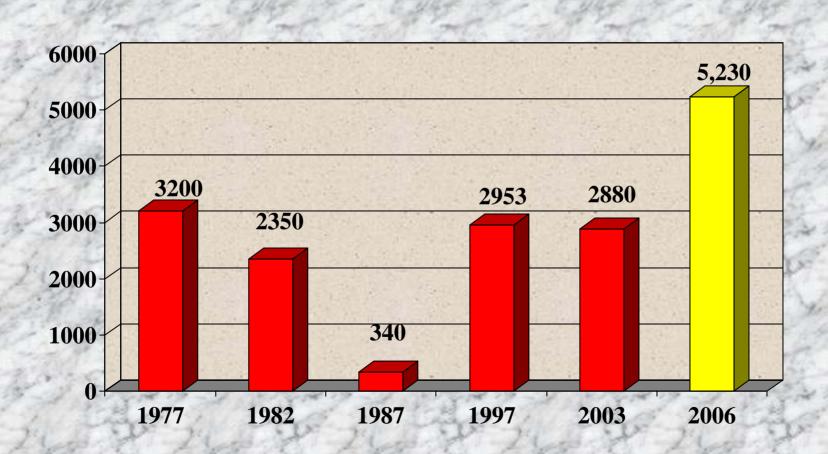


Adjusted to 2004 Dollars

Tax Revenue



Employment Levels





Local Transportation Enhancement (TE) Grants



S. 70th Street Corridor

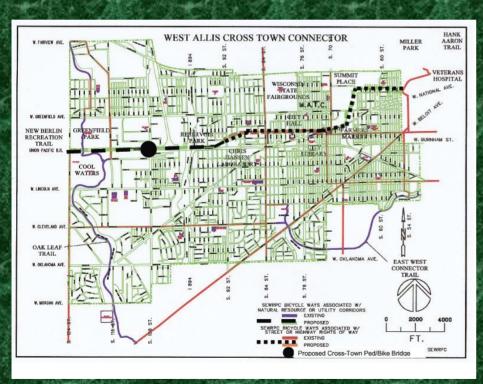


After



Local Transportation Enhancement (TE) Grants

Cross-town Connector



- TE Grant \$589,000
- \$250,000 Local Match

WISCONS

Community Development Block Grant



Piercing the Corporate Veil



Cost Benefit

	Demolition	\$ By Owner
•	Phase I & II Investigation(CDGB).	\$ 65,000
•	Environmental Clean up	\$ 900,000
•	Brownfield Grant	\$ 200,000)



New Property Taxes:

\$ 150,000 per year

T.I.F. payoff = 7.3 years



Transportation Economic Assistance (TEA) \$750,000

Washington Street - Extended



Stewardship Grants – McKinley Park Expansion



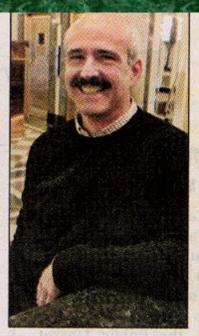
Stewardship Grants – McKinley Park Expansion





BUSINESS OULINA NOV. ONE YOL SERVING GREATER MILWAUKEE

NOVEMBER 4, 2005 ONE SECTION VOL. 23, NO. 6 \$2.00



Rick Wiegand

A FRESH START

Milwaukee's Ambassador Hotel gets a \$12 million makeover.

PAGE A27

Strong eyes West Allis

Financial executive considers office building

BY PETE MILLARD

pmillard@bizjournals.com

One-time mutual fund king Richard Strong is pursuing a plan to construct an office building in West Allis, his first public activity since he was ousted from



Strong

Strong Financial Corp. in 2004.

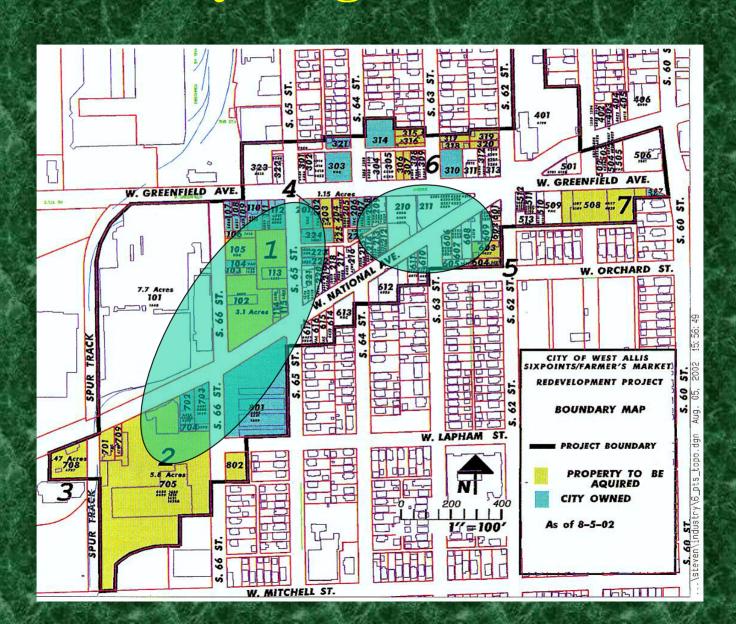
Strong, who resigned as part of an agreement with federal regulators over alleged improper mutual fund trading, is discussing a plan to construct a 30,000-square-foot office on a city-owned softball field at South 72nd and West Walker streets, according to real estate sources. It is unclear who

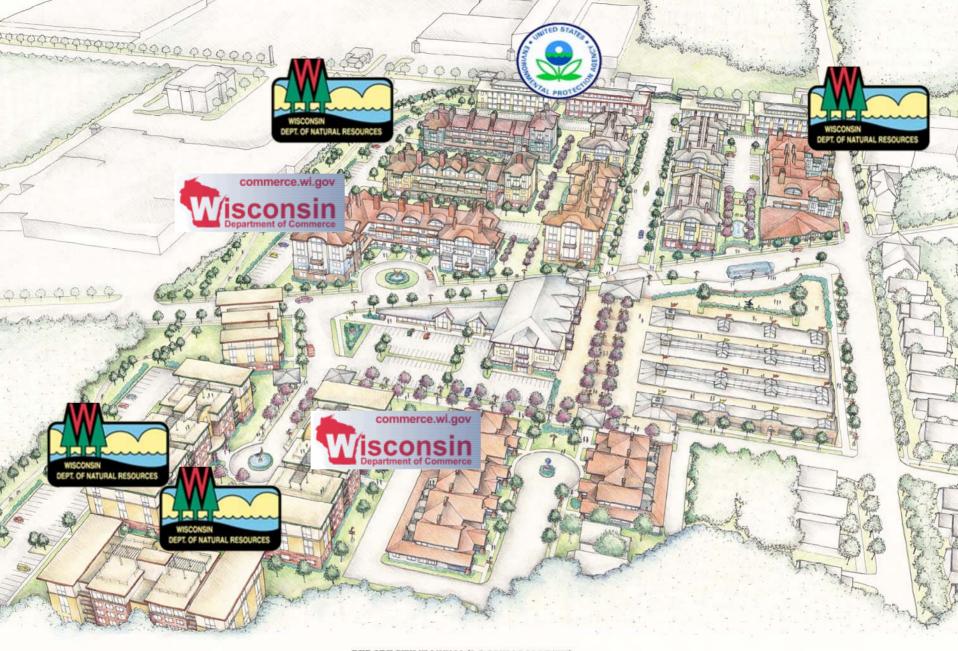
SEE RICHARD STRONG, PAGE A54



Financial executive Richard Strong is considering building a new office in West Allis.

Land Recycling Loans (RLRP)





PERSPECTIVE VIEW (LOOKING NORTH)

THE SIX-POINTS NEIGHBORHOOD WEST ALLIS, WISCONSIN

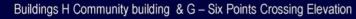




\$85,000,000 in New Development









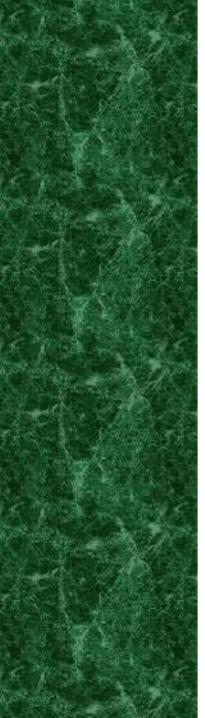












TEMCO

THE ENVIRONMENTAL MANAGEMENT COMPANY LLC

September 18, 2006

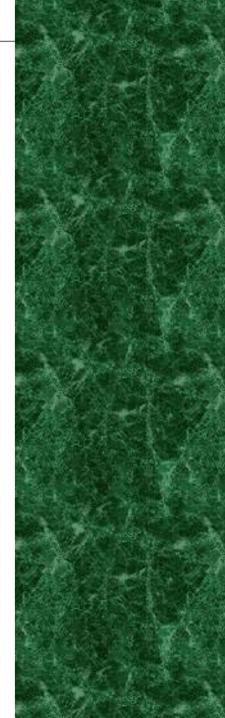
Mr. Patrick Schloss Community Development Manager Department of Development City of West Allis 7525 West Greenfield Avenue West Allis, WI 53214

RE: Additional Bid Information Requirements for City of West Allis 101 Block LRLP Loan Supporting Documentation

Dear Mr. Schloss:

Per a discussion with Maureen Huebeler, WDNR LRLP Loan Project Manager, the following additional supporting documentation is required as soon as possible for the Demolition and Decommissioning bid for the 101 Block (former PST facility):

- Legal Counsel's Opinion of Statutory Compliance: Not Required if Low Bidder selected
 TEMCO has informed the WDNR that low bidder was selected. Please contact us if this is
 not appropriate.
- Engineer's Recommendation Based on Bid Evaluation: Please request that Mike Lewis, P.E. City Engineer, draft a letter recommending the selection of the selected bidder based on his review of the bids.
- Evidence of Bid Advertisement: Please forward evidence of the bid advertisement.
- Bid Bond: Please forward a copy of the bid bond.
- Resolution Awarding the Demolition and Decommissioning Contract: Please forward a copy of the resolution.
- Copy of the Executed Contract for the Demolition and the Decommissioning: Please forward a copy of the executed contract.
- Project dates: Please forward a copy of the following project schedule dates:
 - Start date
 - Substantial Completion Date
 - Final Completion Date



PIONEER NEIGHBORHOOD REVELOPMENT

DNR – SAG

Grant



commerce.wi.gov
Wisconsin
Department of Commerce

Commerce Brownfield

Grant

DNR - Ready For Reuse





Former Neis Hardware



Adaptive Re-use

Mixed Use Residential

Projected Property Value = \$2,100,000

Projected Property Tax = \$ 50,400





Market
Rate
Senior
Housing



Ready For Reuse - Loans

Dry Cleaner
 Environmental
 Response Fund
 (DERF) Program

Redi Quick Dry Cleaners





Ready For Reuse \$ 500,000 Grant



Brownfield Grant



Wisconsin
Department of
Commerce
Brownfield
Grant
\$675,000

SAG \$29,900 Brownfield Grant - \$675,000 EPA Grant - \$200,000









1960 S. 67 Place

67th & Burnham Ave.





Savings = \$200,000





Response Action Site



\$250,000



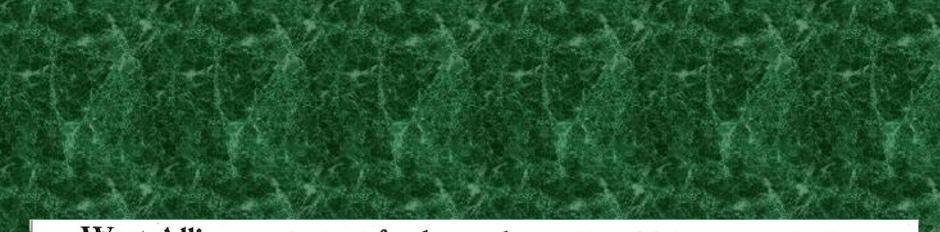


\$ 29,900

Wehr Steel - 2100 S. 54th

Getting the Property Owner's Attention





West Allis sues to test for hazards at site of former steel plant

By NAHAL TOOSI

of the Journal Sentinel staff

The City of West Allis is suing the owner of the former Wehr Steel property for the right to test part of the land for hazardous materials,

The 13-acre area in dispute, which the city has been trying to have developed for 10 years, is at 2100 S. 54th St. in West Allis. An additional 25 acres lie adjacent in the village of West Milwaukee, which is also hoping to attract development to the site but has not joined West Allis in the lawsuit.

The land is owned by Venture-

dyne Ltd. Brian Nahey, the company's chief executive, could not be reached for comment Thursday.

Nahey and the City of West Allis have an unfriendly history. The city has been pushing him to take care of the property since 1990, with little success.

In 1999, the West Allis Community Development Authority declared the site blighted, and the city decided to acquire it for redevelopment, according to the lawsuit filed in Milwaukee County Circuit Court on Thursday.

The city also received a

\$200,000 grant from the U.S. Environmental Protection Agency to help clean it up.

Last May, an environmental engineering firm looked at the history of the site and determined there was a likely presence of hazardous substances or petroleum products.

The firm then came up with a sampling and analysis plan for the site, and it was approved in January by the EPA.

The barrier since then has been gaining access to the property, said Michael Sachen, city attorney. The city twice requested that

Venturedyne give it permission to check the environmental condition of the land.

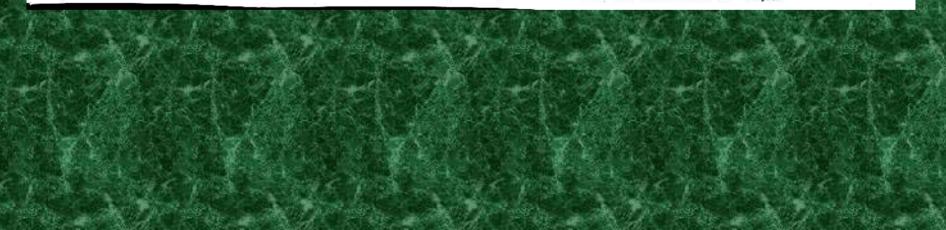
Sachen said that although West Allis can obtain the property under law, "the value of the property is going to depend on its condition environmentally. If there were environmental problems with the site, you couldn't get any developer interested."

But Venturedyne has denied the city access, saying the site has been tested previously and needs no further checking, officials said.

Wehr Steel used the site for

about 80 years, according to the lawsuit. A steel foundry, office, accessory buildings and settling ponds previously occupied the site, according to the suit. The buildings were demolished in 1990, and since then the land has been vacant.

The state Department of Natural Resources has also told Nahey he must follow through on 1991 orders to cap a portion of the site with topsoil and fill in ponds once used to cool wastewater. Nahey has said he did his part, but DNR officials say he didn't complete the job.





EPA Grant - \$ 250,000 and DNR SAG Grant - \$29,900



OFFICE OF THE CLERK



Supreme Court of Misconsin

110 East Main Street, Suite 215 P.O. Box 1688 Madison, WI 53701-1688

> TELEPHONE (608) 266-1880 FACSIMILE (608) 267-0640 Web Site: www.courts.state.wi.us

RECEIVED

FEB 2 1 2003

To:

Hon. William J. Haese Milwaukee County Circuit Court 901 N. Ninth Street Milwaukee, WI 53233

John Barrett Milwaukee County Clerk of Courts Appeals Processing Division 901 N. Ninth Street, Room G-8 Milwaukee, WI 53233

Robert L. Gordon Scott B. Fleming Alan Marcuvitz Weiss, Berzowski, Brady LLP 700 N. Water Street, Suite 1500 Milwaukee, WI 53202-4273 Daniel W. Hildebrand Richard J. Lewandowski DeWitt Ross & Stevens, S.C. 2 E. Mifflin Street, Suite 600 Madison, WI 53703-2865

February 19, 2003

Michael J. Sachen Scott E. Post Office of City Attorney 7525 W. Greenfield Avenue Milwaukee, WI 53214

James A. Buchen Wis. Manufacturers & Commerce P.O. Box 352 Madison, WI 53701-0352

You are hereby notified that the Court has entered the following order:

No. 02-0279

City of West Allis v. Wehr Steel Corporation L.C. #01CV3399

A petition for review pursuant to Wis. Stat. § 808.10 and a motion to supplement to petition for review having been filed on behalf of defendants-appellants-petitioners, Wehr Steel Corporation, et al., and a motion for leave to file nonparty brief having been filed on behalf of Associated General Contractors of Greater Milwaukee, Inc., et al., and considered by this com-

IT IS ORDERED that the motions are granted; the supplement and the non-sybrief are accepted for filing.

IT IS FURTHER ORDERED that the petition for review is denied, without costs.

Cornelia G. Clark Clerk of Supreme Court

Denied

Wehr Steel

- SAG Grant \$ 29,900
- EPA Grant \$ 250,000
- •Litigation DNR / West Allis

- Private Development...... \$ 18,000,000
- Job Creation 350

Wehr Steel

- Current Property Taxes......\$ 24,000
- Fully Redeveloped Taxes...... \$ 432,000

• Annual Opportunity Costs......(\$ 408,000)

Constitutes an Economic and Social Liability



- Promotes Urban Sprawl;
- Disconnects Workers from Employment Centers

Opportunity Cost

Over the last 13 years the cost of doing nothing has been (in today's dollars) the lost of approximately \$2,700,000 in property tax relief to the West Allis Tax Payer.

Future sag Grant Site





www.StrangeCosmos.com



Summit Place Office Complex

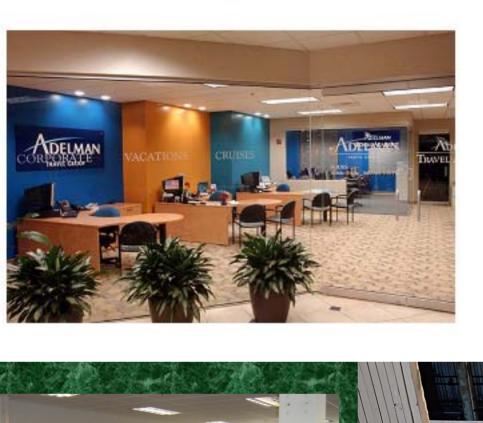
		CH	IART I	I	I	ı		
	INC	REMEN	TAL R	ESULT	S			
	RISK	S		REWARDS				
Scenario	Strategy		Additional					
		Public	Office	Taxable	Annual	TIF	Job	
		Cost	Sq. Ft.	Value	Taxes	Years	Creation	
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few	

\$350,000 Brownfield Grant

Catalyst for Redevelopment









Summit Place Office Complex

CHART II

BROWNFIELD GRANT - Redevelopemnt Incentive

	RISKS		REWARDS						
Scenario	Strategy	Additional							
		Public	Office	Taxable	Annual	TIF	Job		
		Cost	Sq. Ft.	Value	Taxes	Years	Creation		
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few		
Scenario No. Two	Reinvestment Incentive	\$350,000	65,000	5,200,000	\$138,300	0	260		





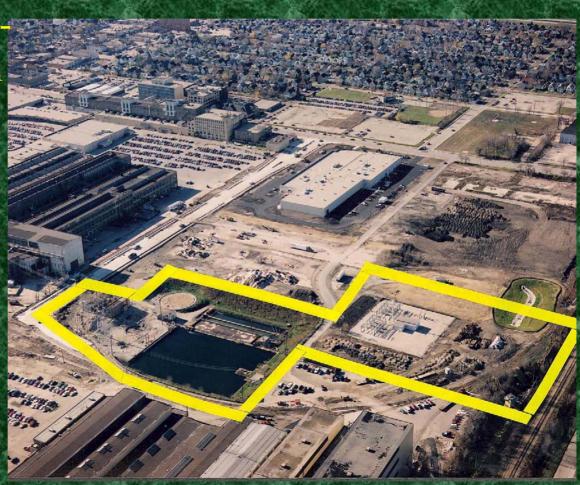
Summit Place – Parking Development



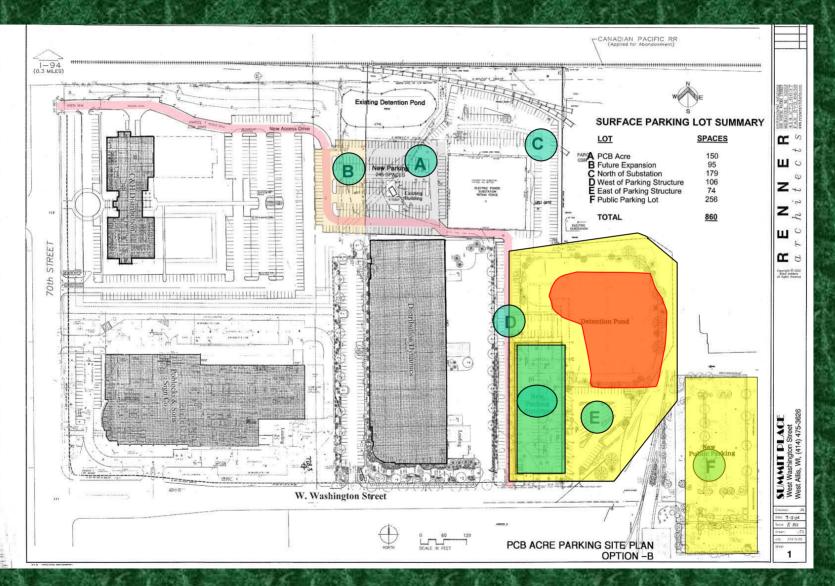
1. DNR – Brownfield Environmental Assessment Program (BEAP) – for runner of SAG

2. DNR Urban Non-Point Source (Storm Water) Grants - \$518,000





\$ 2,425,000 Parking Lots









Summit Place - Parking

Chart III

TAX INCREMENT FINANCING

		Public	Office	Taxable	Annual	TIF	Job
		Cost	Sq. Ft.	Value	Taxes	Years	Creation
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few
Scenario No. Two	Reinvestment Incentive	\$350,000	65,000	5,200,000	\$138,300	0	325
Scenario No. Three	Parking Lot Development	\$2,425,000	235,000	18,800,000	\$500,100	16	1,175
				\$24 000 000	\$638 400		1 500

Tax Increment Financing

Capital Loan # 1

• \$ 2,000,000 TIF Deferred Payment Loan







Local Landmark Designation









Summit Place - Office Development

CHART IV TAX INCREMENT FINANCING												
Scenario	Strategy	Additional										
		Public	Office	Taxable	Annual	TIF	Job					
		Cost	Sq. Ft.	Value	Taxes	Years	Creation					
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few					
Scenario No. Two	Reinvestment Incentive	\$350,000	65,000	5,200,000	\$138,300	0	325					
Scenario No. Three	Parking Lot Development	\$2,425,000	235,000	18,800,000	\$500,100	16	1,175					
Scenario No. Four	Capital Loan	\$2,000,000	150,000	12,000,000	\$319,200	13	750					
				\$36,000,000	\$ 960,000							

Tax Increment Financing

Future Office Expansion



Capital Loan # 2

• \$ 2,500,000 TIF Deferred Payment Loan



and New Market Tax Credits







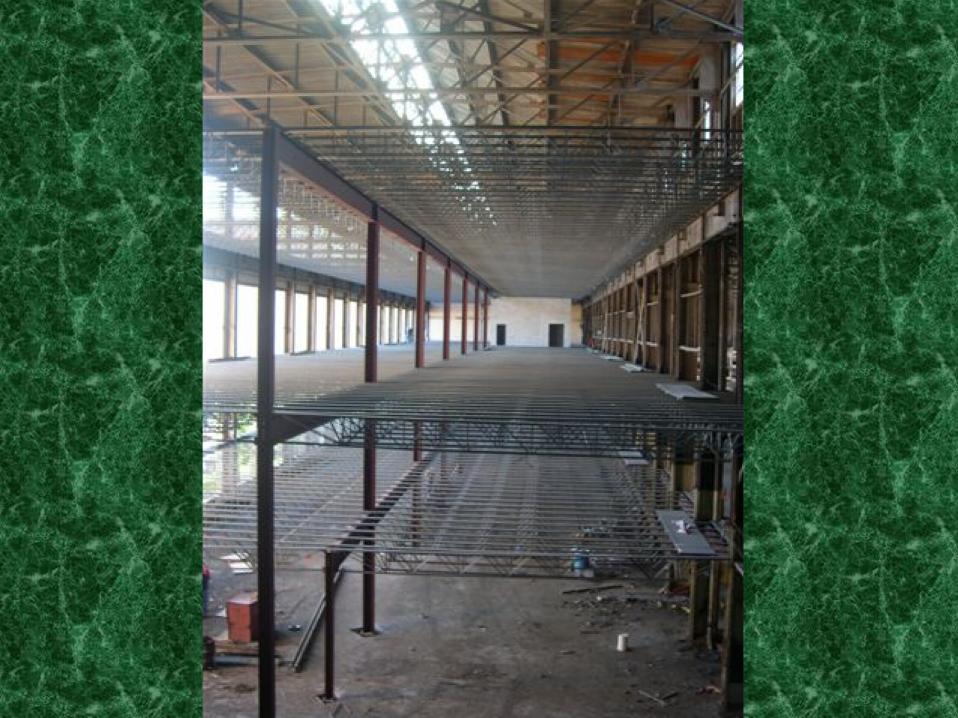












Business

www.jsonline.com/bym

Top Morgan Stanley executive resigns 3D

TUESDAY, JULY 12, 2005

MILWAUKEE JOURNAL SENTINFI

Blue Cross to leave downtown

By TOM DAYKIN and GUY BOULTON

tdaykin@iournalsentinel.com

Blue Cross Blue Shield of Wisconsin plans to leave downtown Milwaukee next year and move 750 employees from its headquarters of about 25 years to an office complex in West Allis, the company announced Monday.

The move from 401 W. Michigan St. to the Summit Place office park, located in the former Allis-Chalmers Corp. manufac-

Move to West Allis expected to cut costs

turing complex, will save Blue Cross \$8 million over 10 years, the company said.

The relocation will cost downtown one of its largest employers and create a large gap in the downtown office market.

"At the end, this was not a contest between two cities.' said Timothy Cullen, a senior vice president of WellPoint Inc., Blue Cross' parent company. "It was a contest between two landlords, including one that aggressively wanted us."

That winning landlord is Richard Carlson, whose Summit Place is in a central location not far from the I-94/I-894/ Highway 45 interchange.

From downtown to suburbs

The Blue Cross relocation stands in contrast with recent moves by suburban offices to downtown.

In 2003, Roundy's Supermarkets Inc. moved its main offices from Pewaukee to downtown. followed by Bank One moving some operations in 2004 from Menomonee Falls to down-

The larger trend has been the steady growth of suburban offices, with downtown's share of

the Milwaukee area's total office market declining. Ease of parking, along with lower rents tied to cheaper operating costs and lower property taxes. have helped suburban office buildings capture a bigger share of the market.

At the end of last year, downtown accounted for about 38% of metropolitan Milwaukee's total office market, according to Polacheck Co. Five years

Please see BLUE CROSS, 2D

PROJECT OF THE YEAR

WINNER



PHOTOGRAPHER / SCOTT PAULUS

SUMMIT PLACE 6737 W. WASHINGTON ST., WEST ALLIS

PROJECT CREDITS

OWNER/DEVELOPER: Whitnall Summit Co.

GENERAL CONTRACTOR: Selzer-Ornst Co., Siegel-Gallagher Inc.

Renner Architects L.L.C., Eppstein Uhen Architects Inc.

PROJECT COST: \$52.5 million

cant industrial space.

Few people envisioned 20 years later that the 60- The brownfield grant enabled Carlson to conacre complex would become home to one of the struct an elevator and modern restrooms as catamost successful industrial redevelopment projects lysts to attracting businesses interested in leasing ever undertaken in the Milwaukee area.

Whitnall Summit Co., owned by former Allislis-Chalmers industrial space and has incremen- of development. tally converted the tractor-manufacturing plant into
The financing of the Summit Place development

In the summer of 2006, Blue Cross Blue Shield A big part of the success of the Summit Place of space and bring 900 family-supporting jobs to \$2.4 million, West Allis. Blue Cross Blue Shield will be one of The speed of Summit Place's development sucthe development's largest tenants.

will be the second-largest office park complex in more parking spaces. The entire complex provides the metropolitan Milwaukee area, second only to more than 2,400 parking spaces. In addition to tax Schlitz Park.

the former manufacturing complex, the city of West take advantage of New Market Tax Credits. Allis stood beside him with grants and loans to facilitate the project. Since 2002, West Allis has

It was a dark day in West Allis when Allis-Chalm- provided a \$300,000 brownfield grant and nearly ers Corp. closed its mammoth plant in 1987, fur- \$7 million in development loans through tax inloughing 15,000 people and creating acres of vacreation of 3,350 jobs in the complex.

office space.

"Summit Place is a great example of what can Chalmers research engineer, Dick Carlson, bought be done in other rust-belt locations throughout the more than 650,000 square feet of deteriorating Al- United States," said John Stibal, West Allis director

a Class A office complex that today is worth more reflects the power of public-private partnerships and tax incremental financing districts, said Stibal.

of Wisconsin will relocate its corporate offices to development is the ample parking on the complex, Summit Place from downtown Milwaukee. The in-said Carlson. In 2005, a 450-stall parking structure surance company will occupy 160,000 square feet was completed through a West Allis TIF district for

cess is forcing the city and developer to amend When completed, the Summit Place complex the TIF that will allow another two stories with 300 incremental financing for Summit Place, the city At every turn along Carlson's quest to redevelop and Whitnall Summit Co. were among the first to

CONTINUED ON PAGE 830



PHOTOGRAPHER / SCOTT PAULUS

PROJECT OF THE YEAR / WINNER / SUMMIT PLACE

Milwaukee Downtown Skyline



Summit Place – Blue Cross Blue Shield

CHART V

<u> </u>												
INCREMENTAL RESULTS												
	RISKS	S REWARDS										
Scenario	Strategy		Additional									
		Public	Office	Taxable	Annual	TIF	Job					
		Cost	Sq. Ft.	Value	Taxes	Years	Creation					
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few					
Scenario No. Two	Reinvestment Incentive	\$350,000	65,000	\$5,200,000	\$138,300	0	325					
Scenario No. Three	Parking Lot Development	\$2,425,000	235,000	\$18,800,000	\$500,100	16	1,175					
Scenario No. Four	Capital Loan	\$2,000,000	150,000	\$12,000,000	\$319,200	13	750					
Scenario No. Five	Capital Loan	\$2,500,000	200,000	\$16,000,000	\$425,600	9	1,100					
Total		\$7,275,000	650,000	\$52,500,000	\$1,396,500	9	3,350					

New Market Tax Credits

JOURNAL SENTINEL EDITORIALS



The Summit Place office complex was built on the site of the former Allis-Chalmers plant.

City's savvy retooling

America's industrial devolution hit West Allis particularly hard.

The city that bore the name of one of the state's biggest employers and industrial powerhouses, Allis-Chalmers,

WEST ALLIS

suffered badly when America's manufacturing base experienced the erosion that

later turned into a mudslide.

But instead of acting like a victim, West Allis has acted like a savvy survivor. Rather than digging in, West Allis, true to its independent nature, traditional values and hardworking roots, went on the offensive.

As it celebrates its 100th anniversary this year, West Allis stands as an example of what a community can accomplish when it accepts what it cannot change and instead changes what it can.

By adopting and, more important, faithfully adhering to, an aggressive economic development plan, West Allis officials have turned once-vacant industrial tracts into thriving commercial, retail and residential complexes through tax incremental financing districts.

Roughly \$175 million in private development is now under way, including the \$82 million Six Points Crossing mixed-use neighborhood redevelopment and the \$52 million conversion of the former Allis-Chalmers shops into The Summit Place office complex.

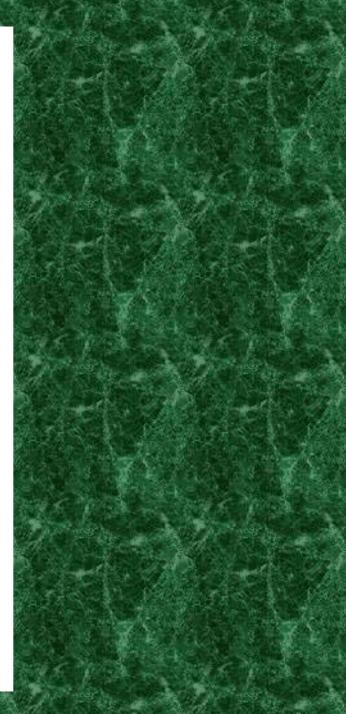
"We're not a blue-collar community anymore," Mayor Jeannette Bell says, alluding to the shift of manufacturing jobs to whitecollar work. "But we're still a very solid community with a long and proud history."

West Allis has admirably embraced its maturity and urban qualities, Bell says, noting its increasing diversity and mix of housing.

Rather than scaling back its historically high level of municipal and community services when things got tough, West Allis astutely invested heavily in infrastructure, realizing that if it didn't, it would have little to keep residents and businesses from moving out and even less to attract others to move in. The just-completed \$2 million renovation of the 75-year-old West Allis Farmers Market is a prime example.

"It's important to have quality of life," Bell says.

A little vision doesn't hurt, either.



OTHER FUNDING RESOURCES

- New Market Tax Credit
- Technology Zone Tax Credits
- Major Economic Development Loans
- DNR Urban Non-Point (Storm Water) Grants
- Petroleum Environmental Clean-up Fund Account (PECFA)
- Dry Cleaner Environmental Response Fund (DERF) Program

OTHER FUNDING RESOURCES

- Milw. County Stand By Contingent Liability
- Milw. County Brownfield Grants
- Milw. County Property Tax Forgiveness
- Local Historic Landmark Designation
- Tax Increment Financing (TIF)
- Community Development Block Grant Funds (CDBG)
- City General Fund Cash Flows



Code Enforcement •50 Garages Demolished



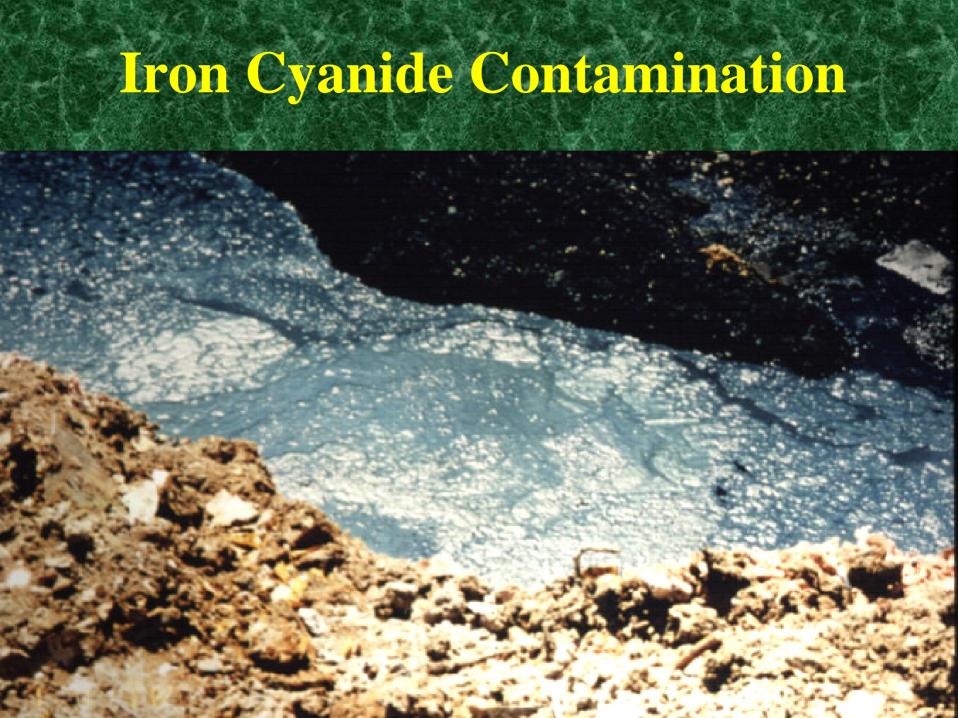


Regulatory Relief



Voluntary Party Limited Liability

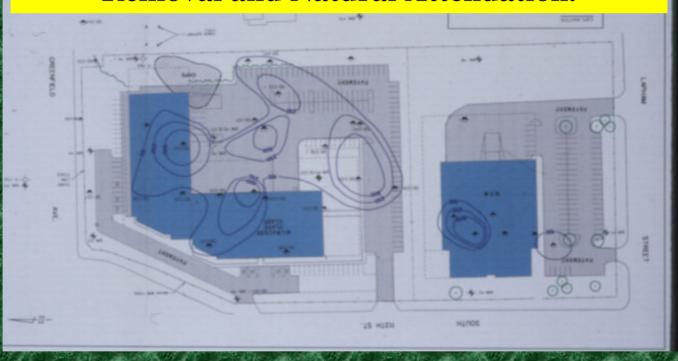




Voluntary Party Limited Liability



Environmental Remediation with Hot Spot Removal and Natural Attenuation.



Voluntary Party Limited Edability



Hormer Chadaings & Lenvis



Quad Graphics



Contact Information

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Director of Development
7525 W. Greenfield Ave.
West Allis WI. 53214

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Email: jstibal@ci.west-allis.wi.us

WEB Site: www.ci.west-allis.wi.us

